

House File 131 - Introduced

HOUSE FILE _____
BY REASONER

Passed House, Date _____ Passed Senate, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act relating to approval of proposed urban renewal plans and
2 amendments to urban renewal plans, and including effective and
3 applicability date provisions.
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
5 TLSB 1674HH 83
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1 1 Section 1. Section 403.5, subsection 2, Code 2009, is
1 2 amended to read as follows:
1 3 2. a. The municipality may itself prepare or cause to be
1 4 prepared an urban renewal plan; or any person or agency,
1 5 public or private, may submit such a plan to a municipality.
1 6 Prior to its approval of an urban renewal plan, the local
1 7 governing body shall submit such plan to the planning
1 8 commission of the municipality, if any, for review and
1 9 recommendations as to its conformity with the general plan for
1 10 the development of the municipality as a whole. The planning
1 11 commission shall submit its written recommendations with
1 12 respect to the proposed urban renewal plan to the local
1 13 governing body within thirty days after receipt of the plan
1 14 for review. ~~Upon receipt of the recommendations of the~~
~~1 15 planning commission or, if no recommendations are received~~
~~1 16 within the thirty days, then, without such recommendations,~~
~~1 17 the local governing body may proceed with the hearing on the~~
~~1 18 proposed urban renewal plan prescribed by subsection 3.~~
1 19 b. Prior to its approval of an urban renewal plan which
1 20 provides for a division of revenue pursuant to section 403.19,
1 21 the municipality shall mail the proposed plan by regular mail
1 22 to the affected taxing entities. The municipality shall
1 23 include with the proposed plan notification of a consultation
1 24 to be held between the municipality and affected taxing
1 25 entities prior to the public hearing on the urban renewal
1 26 plan. Each affected taxing entity may appoint a
1 27 representative to attend the consultation. The consultation
1 28 may include a discussion of the estimated growth in valuation
1 29 of taxable property included in the proposed urban renewal
1 30 area, the fiscal impact of the division of revenue on the
1 31 affected taxing entities, the estimated impact on the
1 32 provision of services by each of the affected taxing entities
1 33 in the proposed urban renewal area, and the duration of any
1 34 bond issuance included in the plan. The designated
1 35 representative of the affected taxing entity may make written
2 1 recommendations for modification to the proposed ~~division of~~
~~2 2 revenue urban renewal plan~~ no later than seven days following
2 3 the date of the consultation. The representative of the
2 4 municipality shall, no later than seven days prior to the
2 5 public hearing on the urban renewal plan, submit a written
2 6 response to the affected taxing entity addressing the
2 7 recommendations for modification to the proposed ~~division of~~
~~2 8 revenue urban renewal plan.~~
2 9 c. ~~The governing body of each affected taxing entity~~
~~2 10 shall, upon conclusion of the consultation process and without~~
~~2 11 regard to whether the entity participated in the consultation~~
~~2 12 process, adopt a resolution approving or rejecting the~~
~~2 13 proposed urban renewal plan. Upon receipt of the~~
~~2 14 recommendations of the planning commission or, if no~~
~~2 15 recommendations are received within the thirty days, then~~
~~2 16 without such recommendations, and upon receipt of a resolution~~
~~2 17 from the governing body of each affected taxing entity, the~~
~~2 18 governing body of the city may proceed with the hearing on the~~
~~2 19 proposed urban renewal plan pursuant to subsection 3.~~

2 20 However, without the receipt of resolutions approving the
2 21 urban renewal plan from a majority of the affected taxing
2 22 entities, the governing body of the municipality shall not
2 23 proceed with the proposed urban renewal plan.

2 24 Sec. 2. Section 403.5, subsections 5, 6, and 7, Code 2009,
2 25 are amended to read as follows:

2 26 5. An urban renewal plan may be ~~modified~~ amended at any
2 27 ~~time: Provided, that, However, if modified the urban renewal~~
2 28 plan is amended after the lease or sale by the municipality of
2 29 real property in the urban renewal project area, such
2 30 ~~modification~~ amendment may be conditioned upon such approval
2 31 of the owner, lessee or successor in interest as the
2 32 municipality may deem advisable, and in any event such
2 33 ~~modification~~ amendment shall be subject to such rights at law
2 34 or in equity as a lessee or purchaser, or a lessee's or
2 35 purchaser's successor or successors in interest, may be
3 1 entitled to assert. ~~The A project may be added to an urban~~
3 2 renewal plan only by an amendment to the plan. Territory may
3 3 be added to, or severed from, an urban renewal area only by an
3 4 amendment to the urban renewal plan. When amending an urban
3 5 renewal plan, the municipality shall comply with the
3 6 notification and consultation process provided in this
3 7 section, including the requirement that a majority of the
3 8 affected taxing entities approves the proposed amendment,
3 9 prior to the approval of any amendment or modification to an
3 10 adopted urban renewal plan if such amendment or modification
3 11 provides for refunding bonds or refinancing resulting in an
3 12 increase in debt service or provides for the issuance of bonds
3 13 or other indebtedness, to be funded primarily in the manner
3 14 provided in section 403.19, or if such amendment proposes to
3 15 add a project to an urban renewal plan or proposes to add
3 16 territory to an urban renewal area or proposes to sever
3 17 territory from an urban renewal area.

3 18 6. Upon the approval by a municipality of an urban renewal
3 19 plan or of any ~~modification thereof~~ amendment to an urban
3 20 renewal plan, such plan or modification amendment shall be
3 21 deemed to be in full force and effect for the respective urban
3 22 renewal area, and the municipality may then cause such plan or
3 23 modification amendment to be carried out in accordance with
3 24 its terms.

3 25 7. Notwithstanding any other provisions of this chapter,
3 26 where the local governing body certifies that an area is in
3 27 need of redevelopment or rehabilitation as a result of a
3 28 flood, fire, hurricane, earthquake, storm, or other
3 29 catastrophe respecting which the governor of the state has
3 30 certified the need for disaster assistance under Pub. L. No.
3 31 81=875, Eighty=first Congress, 64 Stat. 1109, codified at 42
3 32 U.S.C. } 1855==1855g or other federal law, the local governing
3 33 body may approve an urban renewal plan and an urban renewal
3 34 project with respect to such area without regard to the
3 35 provisions of subsection 4 and without regard to provisions of
4 1 this section requiring notification and consultation and
4 2 approval by the affected taxing entities, a general plan for
4 3 the municipality, and a public hearing on the urban renewal
4 4 plan or project.

4 5 Sec. 3. Section 403.6, subsection 6, paragraph b, Code
4 6 2009, is amended to read as follows:

4 7 b. Urban renewal plans adopted, or amended, pursuant to
4 8 the requirements of section 403.5;

4 9 Sec. 4. Section 403.6, subsection 12, Code 2009, is
4 10 amended to read as follows:

4 11 12. To approve and amend urban renewal plans, subject to
4 12 the requirements of section 403.5.

4 13 Sec. 5. EFFECTIVE AND APPLICABILITY DATES.

4 14 1. The section of this Act amending section 403.5,
4 15 subsection 2, being deemed of immediate importance, takes
4 16 effect upon enactment and applies to urban renewal plans
4 17 proposed on or after the effective date.

4 18 2. The section of this Act amending section 403.5,
4 19 subsections 5, 6, and 7, being deemed of immediate importance,
4 20 takes effect upon enactment and applies to amendments to urban
4 21 renewal plans, if such amendments are proposed by a
4 22 municipality on or after the effective date.

4 23 EXPLANATION

4 24 This bill provides that a proposed urban renewal plan, or
4 25 an amendment to an existing plan, shall not proceed unless a
4 26 majority of the affected taxing entities, by resolution,
4 27 approves the proposed plan or amendment. The bill also
4 28 provides that a project may be added to an urban renewal plan,
4 29 or territory added to or severed from an urban renewal area,
4 30 only by an amendment to the urban renewal plan.

4 31 The bill takes effect upon enactment and applies to urban
4 32 renewal plans proposed on or after the effective date and to
4 33 amendments to any urban renewal plan, if such amendments are
4 34 proposed on or after the effective date.
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